

MAYOR & COUNCIL AGENDA COVER SHEET

MEETING DATE:

May 3, 2004

CALL TO PODIUM:

Harold Belton

RESPONSIBLE STAFF:

Harold Belton, Director
Finance and Administration

AGENDA ITEM:

(please check one)

	Presentation
	Proclamation/Certificate
	Appointment
X	Public Hearing
	Historic District
	Consent Item
	Ordinance
	Resolution
	Policy Discussion
	Work Session Discussion Item
	Other:

PUBLIC HEARING HISTORY:

(Please complete this section if agenda item is a public hearing)

Introduced	04/19/04
Advertised	04/14/04
Hearing Date	05/03/04
Record Held Open	05/21/04
Policy Discussion	

TITLE:

Public Hearing on Constant Yield Tax Rate and Proposed Property Tax Increase for the City of Gaithersburg for FY 2005

SUPPORTING BACKGROUND:

Pursuant to State law, local governments are required to hold a public hearing if maintaining the current property tax rate will result in increased revenues. If we maintain the \$.212 per \$100 of assessed value property tax rate (as the City has done for the last 39 years), our property tax revenues will increase by 6.5 percent.

To collect the same amount of property tax revenue as last year, the City would need to reduce our tax rate to \$.199 (the constant yield rate) per \$100 of assessed value; however, the City is proposing a tax rate of \$.212.

This hearing was introduced on April 19, 2004 and advertised according to State law on April 14, 2004.

After any interested party has testified, the Mayor and City Council should vote to hold the record open until May 21, 2004. The Mayor should notify the public that the proposed tax rate of \$.212 Per \$100 of assessed value will be voted on during the Mayor and Council meeting of June 7, 2004.

DESIRED OUTCOME:

Conduct the public hearing and make a motion to hold the record open until the close of business on May 21, 2004.